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Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

2011

11/30, 2012

For calendar year 2011 or tax year beginning

12/01, 2011, and ending

Name of foundation

DEARS FOUNDATION, INC.

Number and street (or P O box number if mail is not delivered to street address)

C/O BCRS ASSOCIATES, LLC
77 WATER STREET, 9TH FLOOR

Room/suite

City or town, state, and ZIP code

NEW YORK, NY 10005

A Employer identification number

13-6160958

B Telephone number (see instructions)

(212) 440-0800

C If exemption application is pending, check here ► D 1 Foreign organizations, check here ► 2 Foreign organizations meeting the 85% test, check here and attach computation ► E If private foundation status was terminated under section 507(b)(1)(A), check here ► F If the foundation is in a 60 month termination under section 507(b)(1)(B), check here ►

G Check all that apply

Initial return	Initial return of a former public charity
Final return	Amended return
Address change	Name change

H Check type of organization Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ► \$ 4,134,590. J Accounting method Cash Accrual
 Other (specify) _____

(Part I, column (d) must be on cash basis)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received (attach schedule)	NONE			
2 Check ► <input type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments	3,147	3,147		ATCH 1
4 Dividends and interest from securities	80,824	80,824		ATCH 2
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10 b Gross sales price for all assets on line 6a	2,270			
7 Capital gain net income (from Part IV, line 2)		2,012	2,012	
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)	-48,071	-42		ATCH 3
12 Total Add lines 1 through 11	37,912	85,941	0	
13 Compensation of officers, directors, trustees, etc	0			
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)				
b Accounting fees (attach schedule)				
c Other professional fees (attach schedule)				
17 Interest				
18 Taxes (attach schedule) (see instructions)				
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule)	9,455	8,942		442
24 Total operating and administrative expenses	9,455	8,942		442
Add lines 13 through 23				
25 Contributions, gifts, grants paid	206,250			206,250
26 Total expenses and disbursements Add lines 24 and 25	215,705	8,942	0	206,692
27 Subtract line 26 from line 12	-177,793			
a Excess of revenue over expenses and disbursements				
b Net investment income (if negative, enter -0-)		76,999		
c Adjusted net income (if negative, enter -0-)			0	

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Operating and Administrative Expenses

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		
		Beginning of year	End of year	
Assets	1 Cash - non-interest-bearing	39,118.	36,226.	36,226.
	2 Savings and temporary cash investments	1,664,632.	49,609.	49,609.
	3 Accounts receivable ►			
	Less allowance for doubtful accounts ►			
	4 Pledges receivable ►			
	Less allowance for doubtful accounts ►			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach schedule) ►			
	Less allowance for doubtful accounts ►			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10 a Investments - U.S. and state government obligations (attach schedule)			
	b Investments - corporate stock (attach schedule) ATCH 5	2,129,629.	3,710,038.	3,920,608.
	c Investments - corporate bonds (attach schedule)			
Liabilities	11 Investments - land, buildings, and equipment basis ►			
	Less accumulated depreciation ► (attach schedule)			
	12 Investments - mortgage loans			
	13 Investments - other (attach schedule) ATCH 6	221,626.	83,839.	128,147.
	14 Land, buildings, and equipment basis ►			
	Less accumulated depreciation ► (attach schedule)			
	15 Other assets (describe ►)			
	16 Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	4,055,005.	3,879,712.	4,134,590.
	17 Accounts payable and accrued expenses			
	18 Grants payable			
Net Assets or Fund Balances	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ►)			
	23 Total liabilities (add lines 17 through 22)	0	0	
	Foundations that follow SFAS 117, check here ► <input type="checkbox"/>			
	and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
Net Assets or Fund Balances	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ► <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds	4,055,005.	3,879,712.	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see instructions)	4,055,005.	3,879,712.	
	31 Total liabilities and net assets/fund balances (see instructions)	4,055,005.	3,879,712.	

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	4,055,005.
2 Enter amount from Part I, line 27a	2	-177,793.
3 Other increases not included in line 2 (itemize) ► ATTACHMENT 7	3	2,500.
4 Add lines 1, 2, and 3	4	3,879,712.
5 Decreases not included in line 2 (itemize) ►	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	3,879,712.

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Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)			(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1a SEE PART IV SCHEDULE					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))		
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any			
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2	2,012.	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)	{ If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8 }		3	0	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010			
2009			
2008			
2007	*NOTE: FDN WAS LIABLE FOR SECTION 4942 TAX THIS YEAR (FYE 11/30/2008)		
2006			

- 2 Total of line 1, column (d) **2** **N/A**
- 3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years **3**
- 4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5 **4**
- 5 Multiply line 4 by line 3 **5**
- 6 Enter 1% of net investment income (1% of Part I, line 27b) **6**
- 7 Add lines 5 and 6 **7**
- 8 Enter qualifying distributions from Part XII, line 4
If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions **8**

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter "N/A" on line 1 . . .	1	1,540.
	Date of ruling or determination letter _____ (attach copy of letter if necessary - see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b . . .		
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) . . .	2	
3	Add lines 1 and 2 . . .	3	1,540.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) . . .	4	0
5	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0- . . .	5	1,540.
6	Credits/Payments		
a	2011 estimated tax payments and 2010 overpayment credited to 2011 . . .	6a	235.
b	Exempt foreign organizations - tax withheld at source . . .	6b	
c	Tax paid with application for extension of time to file (Form 8868) . . .	6c	2,500.
d	Backup withholding erroneously withheld . . .	6d	
7	Total credits and payments Add lines 6a through 6d . . .	7	2,735.
8	Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached . . .	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed . . .	9	
10	Overpayment If line 7 is more than the total of lines 5 and 8, enter the amount overpaid . . .	10	1,195.
11	Enter the amount of line 10 to be Credited to 2012 estimated tax ► <input type="checkbox"/> 1,195. Refunded ► <input type="checkbox"/> 11	11	

Part VII-A Statements Regarding Activities

1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign? . . .	Yes	No
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? . . .	X	
1c	<i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>	X	
2	Did the foundation file Form 1120-POL for this year? . . .	X	
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i> . . .	X	
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year? . . .	X	
4b	<i>If "Yes," has it filed a tax return on Form 990-T for this year? . . .</i>	X	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i> . . .	X	
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either		
	• By language in the governing instrument, or		
	• By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? . . .		
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i> . . .		
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► NY, . . .	X	
8b	<i>If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation. . .</i>	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i> . . .	X	
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i> . . .	X	

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Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)

12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)

13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?

Website address ► N/A

11		X
12		X
13	X	

14 The books are in care of ► BCRS ASSOCIATES, LLC Telephone no ► 212-440-0800
Located at ► 77 WATER STREET, 9TH FLOOR NEW YORK, NY ZIP + 4 ► 10005

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ► 15
and enter the amount of tax-exempt interest received or accrued during the year

16 At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?
See the instructions for exceptions and filing requirements for Form TD F 90-221. If "Yes," enter the name of the foreign country ►

16	Yes	No
	X	

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

1a During the year did the foundation (either directly or indirectly)

(1) Engage in the sale or exchange, or leasing of property with a disqualified person? Yes No

(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? Yes No

(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? Yes No

(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? Yes No

(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? Yes No

(6) Agree to pay money or property to a government official? (Exception Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) Yes No

b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?
Organizations relying on a current notice regarding disaster assistance check here ►

c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?

2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))

a At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? Yes No
If "Yes," list the years ► 2006

b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions)

c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ►

3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise

at any time during the year? Yes No

b If "Yes," did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011)

4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?

b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?

	Yes	No
	X	

1b	N/A
1c	N/A

2b	N/A

3b	N/A
4a	X

4b	X
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Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a	During the year did the foundation pay or incur any amount to	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?					
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?					
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
(3) Provide a grant to an individual for travel, study, or other similar purposes?					
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)					
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?					
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
b	If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	5b	N/A
Organizations relying on a current notice regarding disaster assistance check here ►					
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?	<input checked="" type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No		
If "Yes," attach the statement required by Regulations section 53.4945-5(d)					
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		6b	X
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?				
If "Yes" to 6b, file Form 8870					
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes <input type="checkbox"/> No		7b	N/A
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?				

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ATTACHMENT 8		0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1 - see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE		0	0	0

Total number of other employees paid over \$50,000 ►

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		NONE

Total number of others receiving over \$50,000 for professional services ►		

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc

1 PLEASE NOTE, THE FOUNDATION IS NOT INVOLVED IN ANY DIRECT CHARITABLE ACTIVITIES. ITS PRIMARY PURPOSE IS TO SUPPORT, BY CONTRIBUTIONS, OTHER ORGANIZATIONS EXEMPT UNDER SECTION 501(C) (3) OF THE INTERNAL REVENUE CODE.	Expenses
2	NONE
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

1 N/A	Amount
2 N/A	NONE
All other program-related investments See instructions	
3 N/A	

Total. Add lines 1 through 3 ►

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a Average monthly fair market value of securities	1a	2,952,553.
b Average of monthly cash balances	1b	1,096,532.
c Fair market value of all other assets (see instructions)	1c	167,306.
d Total (add lines 1a, b, and c)	1d	4,216,391.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2 Acquisition indebtedness applicable to line 1 assets	2	
3 Subtract line 2 from line 1d	3	4,216,391.
4 Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	63,246.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	4,153,145.
6 Minimum investment return. Enter 5% of line 5	6	207,657.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ► and do not complete this part)

1 Minimum investment return from Part X, line 6	1	207,657.
2a Tax on investment income for 2011 from Part VI, line 5	2a	1,540.
b Income tax for 2011 (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	1,540.
3 Distributable amount before adjustments Subtract line 2c from line 1	3	206,117.
4 Recoveries of amounts treated as qualifying distributions	4	2,500.
5 Add lines 3 and 4	5	208,617.
6 Deduction from distributable amount (see instructions)	6	
7 Distributable amount as adjusted Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	208,617.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1a	206,692.
b Program-related investments - total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	206,692.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	206,692.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				208,617.
2 Undistributed income, if any, as of the end of 2011			203,375.	
a Enter amount for 2010 only				
b Total for prior years 20____,20____,20____				
3 Excess distributions carryover, if any, to 2011				
a From 2006	NONE			
b From 2007	NONE			
c From 2008	NONE			
d From 2009	NONE			
e From 2010	NONE			
f Total of lines 3a through e				
4 Qualifying distributions for 2011 from Part XII, line 4 ► \$ 206,692.			203,375.	
a Applied to 2010, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2011 distributable amount				3,317.
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2011. (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount - see instructions				
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount - see instructions			NONE	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				205,300.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9				
a Excess from 2007	NONE			
b Excess from 2008	NONE			
c Excess from 2009	NONE			
d Excess from 2010	NONE			
e Excess from 2011	NONE			

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

NOT APPLICABLE

1a	If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling				►																																										
b	Check box to indicate whether the foundation is a private operating foundation described in section					4942(j)(3) or	4942(j)(5)																																								
2a	<table border="1"> <thead> <tr> <th>Tax year</th> <th colspan="3">Prior 3 years</th> <th>(e) Total</th> </tr> <tr> <th>(a) 2011</th> <th>(b) 2010</th> <th>(c) 2009</th> <th>(d) 2008</th> <th></th> </tr> </thead> <tbody> <tr><td></td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td><td></td></tr> </tbody> </table>				Tax year	Prior 3 years			(e) Total	(a) 2011	(b) 2010	(c) 2009	(d) 2008																																		
Tax year	Prior 3 years			(e) Total																																											
(a) 2011	(b) 2010	(c) 2009	(d) 2008																																												
b	85% of line 2a																																														
c	Qualifying distributions from Part XII, line 4 for each year listed																																														
d	Amounts included in line 2c not used directly for active conduct of exempt activities																																														
e	Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c																																														
3	Complete 3a, b, or c for the alternative test relied upon																																														
a	"Assets" alternative test - enter																																														
(1)	Value of all assets																																														
(2)	Value of assets qualifying under section 4942(j)(3)(B)(i)																																														
b	"Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed																																														
c	"Support" alternative test - enter																																														
(1)	Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)																																														
(2)	Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(ii)																																														
(3)	Largest amount of support from an exempt organization																																														
(4)	Gross investment income																																														

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see instructions.)**1 Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ► if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed

b The form in which applications should be submitted and information and materials they should include

c Any submission deadlines

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE ATTACHED SCHEDULE				206,250.
Total			► 3a	206,250.
b Approved for future payment				
Total			► 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514	(e) Related or exempt function income (See instructions)	
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue						
a						
b						
c						
d						
e						
f						
g Fees and contracts from government agencies						
2 Membership dues and assessments						
3 Interest on savings and temporary cash investments				14	3,147.	
4 Dividends and interest from securities				14	80,824.	
5 Net rental income or (loss) from real estate						
a Debt-financed property						
b Not debt-financed property						
6 Net rental income or (loss) from personal property						
7 Other investment income				18	2,012.	
8 Gain or (loss) from sales of assets other than inventory						
9 Net income or (loss) from special events						
10 Gross profit or (loss) from sales of inventory						
11 Other revenue a					-48,071.	
b ATTACHMENT 9						
c						
d						
e						
12 Subtotal Add columns (b), (d), and (e)					37,912.	
13 Total Add lines 12 and lines (b), (d), and (e)					37,912.	

13 Total. Add line 12, columns (b), (d), and (e).
(See worksheet in line 13 instructions to verify calculations.)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No.	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)
▼	

NOT APPLICABLE

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?	Yes	No
a	Transfers from the reporting foundation to a noncharitable exempt organization of.		
(1)	Cash	1a(1)	X
(2)	Other assets	1a(2)	X
b	Other transactions:		
(1)	Sales of assets to a noncharitable exempt organization	1b(1)	X
(2)	Purchases of assets from a noncharitable exempt organization	1b(2)	X
(3)	Rental of facilities, equipment, or other assets	1b(3)	X
(4)	Reimbursement arrangements	1b(4)	X
(5)	Loans or loan guarantees	1b(5)	X
(6)	Performance of services or membership or fundraising solicitations	1b(6)	X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c	X
d	If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received		

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? Yes No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sic: Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sig.
Here

under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and that to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

◀ 114 115 ▶

May the IRS discuss this return with the preparer shown below (see instructions)? Yes No

Paid Preparer Use Only	Print/Type preparer's name JOHN D. COOK	Preparer's signature 	Date 9/27/13	Check <input type="checkbox"/> if self-employed	PTIN P01450182
	Firm's name ► BCRS ASSOCIATES, LLC	Firm's EIN ► 13-4078147			
	Firm's address ► 77 WATER STREET, 9TH FLOOR NEW YORK, NY	10005	Phone no 212-440-0800		

DEARS FOUNDATION, INC.

13-6160958

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				IP or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis			
2,228.		STCG THRU K-1'S 258.					-258.	
36.		LTCG THRU K-1'S					2,228.	
6.		SEC 1231 G(L) THRU K-1'S					36.	
TOTAL GAIN(LOSS)		SEC 1250 G(L) THRU K-1'S					6.	
							<u>2,012.</u>	

DEARS FOUNDATION, INC.

EIN: 13-6160958

SUPPLEMENTARY STATEMENTS

PART: XV

LINE: 2

SUPPLEMENTAL INFORMATION

THE ORGANIZATION'S PRIMARY ACTIVITY IS TO SUPPORT, BY CONTRIBUTIONS, OTHER ORGANIZATIONS QUALIFYING FOR EXEMPTION UNDER SECTION 501(c)(3) OF THE INTERNAL REVENUE CODE. THE DIRECTORS CHOOSE THESE ORGANIZATIONS BASED UPON THEIR KNOWLEDGE OF THE ORGANIZATIONS' ACTIVITIES. NO CONTRIBUTIONS, GRANTS, GIFTS, LOANS OR SCHOLARSHIPS ARE MADE TO INDIVIDUALS. THE ORGANIZATION DOES NOT PRESENTLY RECEIVE APPLICATIONS OR CONDUCT PROGRAMS FOR DONATIONS IN ITS ACTIVITIES.

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>
INTEREST ON CREDIT BALANCE	3,147.	3,147.	3,147.
TOTAL	<u>3,147.</u>	<u>3,147.</u>	<u>3,147.</u>

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

ATTACHMENT 2

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>
DIVIDENDS	62,212.	62,212.	
INTEREST ON BONDS	3,913.	3,913.	
INTEREST THRU K-1'S	11,873.	11,873.	
DIVIDENDS THRU K-1'S	2,791.	2,791.	
CASH IN LIEU	35.	35.	
TOTAL	<u>80,824.</u>	<u>80,824.</u>	

FORM 990PF, PART I - OTHER INCOMEATTACHMENT 3

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>
ORDINARY INCOME THRU K-1'S			
RENTAL REAL ESTATE THRU K-1'S	-62,140.	-62,140.	
CANCELLATION OF DEBT THRU K-1'S	13,389.	13,389.	
ADD-BACK: CURRENT YEAR SUSPENDED PAL	680.	680.	
	NONE	48,029.	
	TOTALS	-48,071.	-42.

FORM 990PF, PART I - OTHER EXPENSES

ATTACHMENT 4

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
NEW YORK STATE FILING FEE	250.			250.
PUBLICATION NOTICE FEE	130.			130.
BANK CHARGES	62.			62.
PORTFOLIO DEDUCTIONS THRU K-1'S	1,624.			1,624.
INTEREST EXPENSE THRU K-1'S	7,316.			7,316.
FOREIGN TAX THRU K-1'S	2.			2.
NON-DEDUCTIBLE EXP THRU K-1'S	71.			
TOTALS	<u>9,455.</u>	<u>8,942.</u>	<u>442.</u>	

FORM 990PF, PART II - CORPORATE STOCKATTACHMENT 5

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
SEE ATTACHED LONG POSITION	2,129,629.	3,710,038.	3,920,608.
TOTALS	<u>2,129,629.</u>	<u>3,710,038.</u>	<u>3,920,608.</u>

FORM 990PF, PART II - OTHER INVESTMENTS

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
ATLANTIC BEACH FUNDING, LLC	123,716.	63,346.	63,336.
HF HOLDING LIII	-17,237.	-5,964.	38,354.
ATLANTIC BEACH FUNDING CO III (FULLY DISP)	62,235.	NONE	NONE
ATLANTIC BEACH FUNDING CO II	52,912.	26,457.	26,457.
TOTALS	<u>221,626.</u>	<u>83,839.</u>	<u>128,147.</u>

ATTACHMENT 6

ATTACHMENT 7FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES

<u>DESCRIPTION</u>	<u>AMOUNT</u>
RECOVERY OF FUNDS TREATED AS QUALIFYING DISTRIBUTION IN PRIOR YEAR	2,500.
TOTAL	<u><u>2,500.</u></u>

ATTACHMENT 8

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS	EXPENSE ACCT
			TO EMPLOYEE BENEFIT PLANS	AND OTHER ALLOWANCES
DAVID A. ABRAMSON C/O BCRS ASSOCIATES, LLC 77 WATER STREET, 9TH FLOOR NEW YORK, NY 10005	PRESIDENT/DIRECTOR 1.25	0	0	0
DANIEL A. ABRAMSON C/O BCRS ASSOCIATES, LLC 77 WATER STREET, 9TH FLOOR NEW YORK, NY 10005	VICE-PRESIDENT/DIRECTOR .75	0	0	0
MARC A. ABRAMSON C/O BCRS ASSOCIATES, LLC 77 WATER STREET, 9TH FLOOR NEW YORK, NY 10005	SECRETARY/TREASURER/DIRECTOR .25	0	0	0
HARRIET A. ABRAMSON C/O BCRS ASSOCIATES, LLC 77 WATER STREET, 9TH FLOOR NEW YORK, NY 10005	MEMBER	0	0	0
ELLEN M. ABRAMSON C/O BCRS ASSOCIATES, LLC 77 WATER STREET, 9TH FLOOR NEW YORK, NY 10005	MEMBER	0	0	0

DEARS FOUNDATION, INC.

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

13-6160958.

ATTACHMENT 8 (CONT'D)

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>	<u>EXPENSE ACCT AND OTHER ALLOWANCES</u>
-------------------------	---	---------------------	--	--

DEBORAH Y. KIRBY
C/O BCRS ASSOCIATES, LLC
77 WATER STREET, 9TH FLOOR
NEW YORK, NY 10005

MEMBER

0 0 0

GRAND TOTALS

0 0 0

FORM 990-PF, PART XVI-A - ANALYSIS OF OTHER REVENUEATTACHMENT 9

<u>DESCRIPTION</u>	<u>BUSINESS CODE</u>	<u>AMOUNT</u>	<u>EXCLUSION CODE</u>	<u>AMOUNT</u>	<u>RELATED OR EXEMPT FUNCTION INCOME</u>
ORDINARY INCOME THRU K-1'S		01			-62,140.
RENTAL REAL ESTATE THRU K-1'S		01			13,389.
CANCELLATION OF DEBT THRU K-1'S		01			680.
 TOTALS					 <u>-48,071.</u>

**SCHEDULE D
(Form 1041)**Department of the Treasury
Internal Revenue Service**Capital Gains and Losses**

OMB No 1545-0092

2011

► Attach to Form 1041, Form 5227, or Form 990-T. See the Instructions for Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).

Name of estate or trust

Employer identification number

DEARS FOUNDATION, INC.

13-6160958

Note: Form 5227 filers need to complete only Parts I and II

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					
b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b				-258 .
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2				
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3				
4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2010 Capital Loss Carryover Worksheet	4				()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f) Enter here and on line 13, column (3) on the back ►	5				-258 .

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					
b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b				2,270 .
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7				
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8				
9 Capital gain distributions	9				
10 Gain from Form 4797, Part I	10				
11 Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2010 Capital Loss Carryover Worksheet	11				()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f) Enter here and on line 14a, column (3) on the back ►	12				2,270 .

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2011

Part III Summary of Parts I and II		(1) Beneficiaries' (see instr.)	(2) Estate's or trust's	(3) Total
13	Net short-term gain or (loss)	13		-258 .
14	Net long-term gain or (loss):			
a	Total for year	14a		2,270 .
b	Unrecaptured section 1250 gain (see line 18 of the wrksht)	14b		
c	28% rate gain	14c		
15	Total net gain or (loss). Combine lines 13 and 14a ►	15		2,012 .

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

Part IV Capital Loss Limitation

16 Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of:

a The loss on line 15, column (3) or b \$3,000

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** in the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part only if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

Caution: Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if

- Either line 14b, col. (2) or line 14c, col. (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero

Form 990-T trusts. Complete this part only if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if either line 14b, col. (2) or line 14c, col. (2) is more than zero.

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17		
18	Enter the smaller of line 14a or 15 in column (2) but not less than zero.	18		
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19		
20	Add lines 18 and 19	20		
21	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- ►	21		
22	Subtract line 21 from line 20 If zero or less, enter -0-	22		
23	Subtract line 22 from line 17 If zero or less, enter -0-	23		
24	Enter the smaller of the amount on line 17 or \$2,300	24		
25	Is the amount on line 23 equal to or more than the amount on line 24?			
	<input type="checkbox"/> Yes. Skip lines 25 and 26, go to line 27 and check the "No" box	25		
	<input type="checkbox"/> No. Enter the amount from line 23	26		
26	Subtract line 25 from line 24	26		
27	Are the amounts on lines 22 and 26 the same?			
	<input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31	27		
	<input type="checkbox"/> No. Enter the smaller of line 17 or line 22	28		
28	Enter the amount from line 26 (If line 26 is blank, enter -0-)	28		
29	Subtract line 28 from line 27	29		
30	Multiply line 29 by 15% (15)	30		
31	Figure the tax on the amount on line 23. Use the 2011 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	31		
32	Add lines 30 and 31	32		
33	Figure the tax on the amount on line 17. Use the 2011 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	33		
34	Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)	34		

Schedule D (Form 1041) 2011

**Department of the Treasury
Internal Revenue Service**

- See instructions for Schedule D (Form 1041).
- Attach to Schedule D to list additional transactions for lines 1a and 6a.

Name of estate or trust

Employer identification number
13-6160958

Name of estate or trust
DEARS FOUNDATION, INC.

1b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 1b -258.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D-1 (Form 1041) 2011

JSA
1F1221 2 000

Name of estate or trust as shown on Form 1041 Do not enter name and employer identification number if shown on the other side

Employer identification number

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a LTCG THRU K-1'S			2,228.		2,228.
SEC 1231 G(L) THRU K-1'S			36.		36.
SEC 1250 G(L) THRU K-1'S			6.		6.

6b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 6b 2,270.

Schedule D-1 (Form 1041) 2011

JSA

1F1222 2 000

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DEARS FOUNDATION, INC
 CHARITABLE CONTRIBUTIONS
 FYE 11/30/2012
 EIN. 13-6160958

DATE	CONTRIBUTION	CITY, STATE	AMOUNT
1/11/2012	NEW YORK-PRESBYTERIAN HOSPITAL	NEW YORK, NY	\$ 500 00
5/1/2012	JCC BERGEN COUNTY / PROJECT OPEN HEARTS, OPEN HOMES	TWP OF WASHINGTON, NJ	1,000 00
5/2/2012	PRIZE4LIFE	CAMBRIDGE, MA	9,250 00
5/31/2012	PRESIDENT AND FELLOWS, HARVARD UNIVERSITY	CAMBRIDGE, MA	10,000 00
10/15/2012	THE BLUE CARD	NEW YORK, NY	5,000 00
10/29/2012	ISRAEL GUIDE DOG CENTER FOR THE BLIND	WARRINGTON, PA	15,000 00
11/6/2012	JEWISH FEDERATION OF NORTH AMERICA	NEW YORK, NY	2,500 00
11/6/2012	JEWISH FEDERATION OF NORTH AMERICA	NEW YORK, NY	5,000 00
11/9/2012	AMERICAN SOCIETY FOR TECHNION - ISRAEL INSTITUTE OF TECHNOLOGY	NEW YORK, NY	25,000 00
11/9/2012	UJA FEDERATION OF NEW YORK	NEW YORK, NY	10,000 00
11/9/2012	WARREN ALPERT MEDICAL SCHOOL OF BROWN UNIVERSITY	PROVIDENCE, RI	10,000 00
11/13/2012	ANTI-DEFAMATION LEAGUE	BOCA RATON, FL	2,000 00
11/13/2012	DOCTORS WITHOUT BORDERS	NEW YORK, NY	5,000 00
11/13/2012	MAZON - A JEWISH RESPONSE TO HUNGER	LOS ANGELES, CA	5,000 00
11/14/2012	AMERICAN FRIENDS OF MAGEN DAVID ADOM	NEW YORK, NY	10,000 00
11/14/2012	ALS ASSOCIATION OF GREATER NEW YORK	NEW YORK, NY	5,000 00
11/14/2012	GREATER MIAMI JEWISH FEDERATION - GOLDEN CARE FOUNDATION	MIAMI, FL	1,000 00
11/15/2012	MICHAEL J FOX FOUNDATION FOR PARKINSON'S RESEARCH	NEW YORK, NY	50,000 00
11/21/2012	NYU MEDICAL SCHOOL	NEW YORK, NY	25,000 00
11/30/2012	HADASSAH - WOMEN'S ZIONIST ORGANIZATION OF AMERICA	NEW YORK, NY	10,000 00
TOTAL CONTRIBUTIONS PAID *			\$ 206,250 00

** ALL CONTRIBUTIONS WERE MADE TO PUBLIC CHARITABLE ORGANIZATIONS
 EXEMPT UNDER SECTION 501(c)(3) OF THE INTERNAL REVENUE CODE*

DEARS FOUNDATION, INC.
ENDING LONG POSITION
FYE 11/30/2012

DESCRIPTION	QUANTITY	COST OR OTHER BASIS	FAIR MARKET VALUE						
MUTUAL FUNDS									
LEGG MASON WA INST LIQUID RES A (CILXX)	1,655,408.48	1,655,408.48	1,655,408.48						
TOTAL MUTUAL FUNDS		1,655,408.48	1,655,408.48						
EQUITIES									
UNITED CONTINENTAL HOLDINGS INC (UAL)	208.00	6,861.92							
	14.00	521.08							
	49.00	1,910.51							
	21.00	625.17							
	6.00	0.00							
	1.00	0.00							
	1.00	0.00							
	<i>SUBTOTAL</i>	<i>300.00</i>	<i>9,918.68</i>						
			6,066.00						
ISHARES TR FTSE XINHUA HK CHINA 25 INDEX (FXI)	10,000.00	399,256.00	371,500.00						
ISHARES IBOXX HIGH YIELD CORP BOND FD (HYG)	1,000.00	88,395.00	93,050.00						
	2,000.00	177,106.00	186,100.00						
	<i>SUBTOTAL</i>	<i>3,000.00</i>	<i>265,501.00</i>						
			279,150.00						
ISHARES BARCLAYS 1-3 YR CD BD FUND (CSJ)	2,000.00	207,806.00	210,960.00						
SPDR S&P 500ETF TRUST	4,000.00	494,640.00	568,620.00						
	4,000.00	402,741.51	568,620.00						
	<i>SUBTOTAL</i>	<i>8,000.00</i>	<i>897,381.51</i>						
			1,137,240.00						
VANGUARD MSCI EMERGING MKTS ETF	5,600.00	249,766.00	235,284.00						
TOTAL EQUITIES		2,029,629.19	2,240,200.00						
INTERNATIONAL BONDS									
ISRAEL STATE 6TH JUBILEE 5 YR BONDS REG 10/01/2014 2.950%	25,000.00	25,000.00	25,000.00						
TOTAL INTERNATIONAL BONDS		25,000.00	25,000.00						
<table border="1"> <thead> <tr> <th></th> <th>COST BASIS</th> <th>FMV</th> </tr> </thead> <tbody> <tr> <td>TOTAL LONG POSITION</td> <td>3,710,037.67</td> <td>3,920,608.48</td> </tr> </tbody> </table>					COST BASIS	FMV	TOTAL LONG POSITION	3,710,037.67	3,920,608.48
	COST BASIS	FMV							
TOTAL LONG POSITION	3,710,037.67	3,920,608.48							

DEARS FOUNDATION, INC.
EIN: 13-6160958
FYE 11/30/2012

ATTACHMENT TO FORM 990-PF

SCHEDULE OF SUSPENDED PASSIVE LOSS CARRY FORWARD:

FYE	CURRENT YEAR PASSIVE (LOSS)	PASSIVE (LOSS) UTILIZED	NET PASSIVE (LOSS)	TOTAL PASSIVE (LOSS) CARRYOVER
11/30/2012	(48,029)	0	(48,029)	(48,029)

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box.
- Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return. See instructions	Name of exempt organization or other filer, see instructions. DEARS FOUNDATION, INC.	Employer identification number (EIN) or 13-6160958
	Number, street, and room or suite no. If a P.O. box, see instructions c/o BCRS ASSOCIATES; LLC; 77 WATER STREET - 9TH FL	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. NEW YORK, NY 10005	

Enter the Return code for the return that this application is for (file a separate application for each return)

04

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990 or Form 990-EZ	01
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ► **BCRS ASSOCIATES, LLC** .
Telephone No. ► **212-440-0811** FAX No. ► **N/A**
- If the organization does not have an office or place of business in the United States, check this box.
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

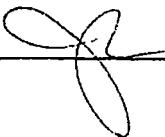
4 I request an additional 3-month extension of time until **OCTOBER 15**, 2013
 5 For calendar year , or other tax year beginning **DECEMBER 1**, 2011, and ending **NOVEMBER 30**, 2012.
 6 If the tax year entered in line 5 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period
 7 State in detail why you need the extension **ALL INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE RETURN IS NOT YET AVAILABLE.**

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a \$ 2,735.00
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b \$ 2,735.00
c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c \$ 0.00

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ►


Title ► **CPA**Date ► **07/15/2013**Form **8868** (Rev. 1-2013)

Application for Extension of Time To File an
Exempt Organization Return

► File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only Part I and check this box ►
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only Part II (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on e-file for Charities & Nonprofits.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only ►

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Enter filer's identifying number, see instructions

Type or print	Name of exempt organization or other filer, see instructions DEARS FOUNDATION, INC.	Employer identification number (EIN) or 13-6160958
File by the due date for filing your return. See Instructions.	Number, street, and room or suite no. If a P.O. box, see instructions c/o BCRS ASSOCIATES, LLC; 77 WATER STREET - 9TH FL	Social security number (SSN)
	City, town or post office, state, and ZIP code For a foreign address, see instructions. NEW YORK, NY 10005	

Enter the Return code for the return that this application is for (file a separate application for each return) **04**

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ► **BCRS ASSOCIATES, LLC**

Telephone No. ► **212-440-0811**FAX No. ► **N/A**

- If the organization does not have an office or place of business in the United States, check this box ►
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) If this is for the whole group, check this box ► . If it is for part of the group, check this box ► and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until JULY 15, 20 13, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

► calendar year 20 or

► tax year beginning DECEMBER 1, 20 11, and ending NOVEMBER 30, 20 12.

2 If the tax year entered in line 1 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	2,735.00
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	235.00
c	Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions.	3c	\$	2,500.00

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form 8868 (Rev. 1-2013)